



Jack Scott, Chair
Bob Margett
Joe Simitian

May 16, 2005
10:00 a.m. – Room 113

I. Prop 98 Overview

Presentation by the Legislative Analyst's Office

II. Higher Education

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IV. Consent

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III. K-12 & Community Colleges -- CalSTRS Defined Benefit Program

Item	Issue	Description	Staff Recommendation	Compare to May Revision (000's)	Comments
6300-603-0001 Non-Budget Act Item	Governor's Budget: State Operations, General Fund	The Governor proposes to shift State responsibility for making contributions to CalSTRS basic retirement program to local employers. Specifically, the Governor's proposal eliminates the State's 2.017 percent contribution to the Defined Benefit (DB) program, for an assumed General Fund (Non-98) savings of \$469 million in 2005-06.	Deny the Governor's Budget proposal to eliminate the state contribution to the CalSTRS Defined Benefit Program. This action conforms to action taken by SBFR Sub #4 on May 11th.	469,047	

IV. CONSENT

Item	Issue	Description	Staff Recommendation	Compare to May Revision (000's)	Comments
4220-001-0001 CA. Child Development Policy Advisory Cmt. (CDPAC)	<i>May Revision Finance Letter:</i> Trailer Bill Language to eliminate CDPAC from statute	CDPAC was de-funded and eliminated by the Legislature in 2003-04. This request deletes the remaining sections of the Education Code related to the program.	Approve May Revision		Proposal is "clean-up" to prior budget-related action.
6120-151-0483 California State Library	<i>May Revision Finance Letter:</i> Increase telephonic reading program for the blind by \$111,000 to cover costs of maintaining toll-free number (Issue 010)	Provides funding to maintain toll-free phone number for telephonic reading program for the blind, in the event that federal funding is not available for this program. Adds budget bill language to ensure that federal funds, provided they materialize, are utilized first.	Approve May Revision		
6120-151-0483 California State Library	<i>January Budget:</i> Trailer Bill Language related to Telephonic Reading for the Blind (transfer authority)	Technical change to allow telecommunications funds to be used for telephonic reading programs for the blind.	Approve January Proposal		Technical Change

CONSENT (continued)

Item	Issue	Description	Staff Recommendation	Compare to May Revision (000's)	Comments
6120-012-0001 California State Library	<i>May Revision Finance Letter:</i> Technical change to decrease reimbursements by \$5,000 and increase item by \$3,000 (Issues 010, 101, and 102)	Technical change related to rental of space, insurance, and lease revenue debt service.	Approve May Revision		Technical Change
6440-003-0001 University of California	<i>May Revision Finance Letter:</i> Technical change to appropriate funding for Lease-Revenue debt service payments (Issues 101 and 102)	Provide an additional \$18.9 million (above current-year) to cover increased costs of debt service on lease-revenue bond financed projects.	Approve May Revision		Technical Change
6610-003-0001 California State University	<i>May Revision Finance Letter:</i> Technical change to appropriate funding for Lease-Revenue debt service payments (Issues 101 and 102)	Provide an additional \$131,000 (above current-year) to cover increased costs of debt service on lease-revenue bond financed projects.	Approve May Revision		Technical Change
6870-101-0001 California Community Colleges	<i>January Budget:</i> Trailer Bill Language related to \$200 million deferral	Trailer Bill Language approving ongoing deferral of \$200 million in apportionments payments from June 2006 to July 2006.	Approve January Proposal		Deferral needs to be approved annually.
6870-490 California Community Colleges	<i>Technical Adjustment:</i> Compton Community College District Performing Arts and Recreation Complex	Amend Item 6870-490 to reappropriate funds (\$12.771 million) for the working drawings, construction, and equipment phases of the project.	Approve Revision to prior committee action		This action revises prior action taken by the committee on May 9th will ensure that funds are reappropriated NOT reverted
7980-101-0001 California Student Aid Commission	<i>May Revision Finance Letter:</i> Increase baseline funding for Cal Grants (Issue 005)	Provides an increase of \$15.7 million to reflect revised Cal Grant entitlement award estimates.	Approve May Revision		Technical Adjustment
7980-001-0784 7980-101-0001 California Student Aid Commission	<i>May Revision Finance Letter:</i> Increase reimbursement authority for Chafee Foster Youth Program (Issues 003, 010 and 011)	Funding for program to be provided by federal funds administered through the Department of Social Services (and expended for the program via an MOU with the Student Aid Commission).	Approve May Revision		New federal funds recently appropriated for Program.

CONSENT (continued)						
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7980-001-0784 California Student Aid Commission	May Revision Finance Letter: Increase Customer Service Call Center Staffing (Issue 003)	Provides \$150,000 (from the Student Loan Operating Fund) for two-year, limited-term, temporary help positions to staff the Cal Grant customer service call center.	Approve May Revision			Workload Adjustment
6110-001-0890 California Department of Education	May Revision Finance Letter: Reduce state operations funding for federal Education Technology Program (Issue 663)	Reduces funding by \$354,000 to reflect a decrease in federal funding for the Education Technology Program. It is also requested that the 3.0 expiring limited term positions proposed for permanent extension in the Governor's Budget be modified to continue for a 2-year limited term only to conform to the reduction in funding.	Approve May Revision			
6110-123-0890 California Department of Education	May Revision Finance Letter: Decrease local assistance funding for the federal Comprehensive School Reform Program (Issue 162)	Decreases funding \$10,051,000 to make it consistent with available federal Comprehensive School Reform grant funds for 2005-06. These funds are used by schools to implement research-based strategies to increase pupil achievement.	Approve May Revision			
6110-136-0890 California Department of Education	May Revision Finance Letter: Increase local assistance funding for the federal McKinney-Vento Homeless Children Education Program (Issue 330)	Increases funding by \$500,000 to reflect one-time carryover funds from previous years. Carryover was the result of grantees who did not expend their full allocations. SDE will use the one-time carryover funds on a competitive basis to supplement LEAs that need additional funds for Homeless Children Education programs. The program allows students who become homeless to continue attending the same school by providing a district liaison or transportation when necessary.	Approve May Revision			

CONSENT (continued)

Item	Issue	Description	Staff Recommendation	Compare to May Revision (000's)	Comments
6110-180-0890 California Department of Education	May Revision Finance Letter: Local Assistance, Education Technology Program (Issue 664)	Decreases funding by an additional \$823,000 from the amount requested in the April Finance letter to reflect a decrease in federal funding for the Education Technology Program. The federal budget proposes to eliminate state grants for Education Technology by 2006-07.	Approve May Revision		
6110-195-0890 California Department of Education	May Revision Finance Letter: Local Assistance, Title II—Improving Teacher Quality Local Grant Program (Issue 646)	Increases funding in schedule (1) by \$80,000 to provide carryover authority for unspent prior year funds. Funds will be used to provide additional funding to local educational agencies for use in a manner consistent with the approved usage.	Approve May Revision		
6110-002-0001 California Department of Education	May Revision Finance Letter: State Operations, State Special Schools (Issue 101)	Decreases funding of \$91,000 that was set aside for the purpose of making Lease Revenue Bond debt service adjustments via Control Section 4.30.	Approve May Revision		
6110-006-0001 California Department of Education	May Revision Finance Letter: Reimbursements, State Operations, State Special Schools (Issue 059)	Decreases reimbursement authority by \$245,000 as there is no longer a need to lease certain facilities due to a transfer of property.	Approve May Revision		
6110-629-0001 and 6110-497 California Department of Education	May Revision Finance Letter: Local Assistance, Emery Unified School District Emergency Loan (Issue 083)	Reduces Non-Budget Act Item by \$1.0 million and adds language to Budget Item 6110-497 to revert the unexpended balance of the emergency loan made to Emery Unified School District. Of the \$2,300,000 million emergency loan authorized by Chapter 135, Statutes of 2001, Emery Unified used only \$1.3 million. The authority for the remaining \$1,000,000 expired as of July 31, 2004.	Approve May Revision		